exert a permanent influence upon prices: their effects appear and vanish on the recurrent tides of human craving for the variety and excitement of speculation, animated by the desire for wealth: these combinations essentially contain within themselves the elements of their own disintegration and extinction.

Before closing it is worth while to attend more particularly to the real nature of the process involved in the variation of prices.

For brevity of exposition I select the case of sales only by the public, since corresponding remarks apply to purchases.

Although the operation of supply and demand may be appreciated, the mere statement that many sales produce a fall in values, and numerous purchases a rise, is often felt to be too vague, and a closer explanation of general application may be ventured.

The jobber, it has been seen, fixes the price at which he will purchase from the public through the intervention of the broker. He well knows his business in determining the amount of his quotation, and nothing further need be said upon that point. He, as he has been termed, is the merchant and (restrained in the price he makes by the competition of other jobbers in the same description of security) the value at which he will buy from the selling public determines and constitutes the price in the market for the time being. This is the essential point to bear in mind.

The broker must approach the jobber with an impassive face and demeanour so that no indication may be afforded to the latter that a sale to him—thus biasing his quotation— is intended. But in periods of apprehension which influence holders of any security to sell, the jobber can divine that nearly every broker who applies for a price is a seller, that is, he discovers that he is only asked to buy and thus increase his stock of the security with the natural difficulty and cost of its subsequent disposal. He accordingly lowers the price at which he will purchase, and, moreover, gradually or promptly places a wider interval between his buying and selling price. For his own protection against loss he must balance his transactions : if he buy

largely he must be able to sell largely in order to clear his book, and to sell at a price superior to that at which